

**Johnson, Jere**

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**From:** Jere Johnson [[Johnson.Jere@epamail.epa.gov](mailto:Johnson.Jere@epamail.epa.gov)]  
**Sent:** Wednesday, March 26, 2014 3:24 PM  
**To:** Johnson, Jere  
**Subject:** Fw: Comstock Mining  
**Attachments:** 12. 2008 AOC for drilling fluids and muds.pdf; 11. Receipts June 9, 2011.pdf; 10.Receipts 2.pdf; 9. 2011 Jun 25 Release from Cease & Desist.pdf

Jere Johnson  
 Remedial Project Manager (SFD 8-2)  
 U.S. Environmental Protection Agency  
 75 Hawthorne Street  
 San Francisco, CA 94105  
 415.972.3094 (direct)  
 415.947.3526 (fax)

If I don't respond to a message, I may be out of the office.  
 Security settings do not permit my "Out of Office" automatic e-mail response to be shared outside of EPA.  
 ----- Forwarded by Jere Johnson/R9/USEPA/US on 03/26/2014 03:23 PM -----

From: "Cindi Byrns" <[byrns@comstockmining.com](mailto:byrns@comstockmining.com)>  
 To: Kathi Moore/R9/USEPA/US@EPA, Eric Esler/R9/USEPA/US@EPA, Jere Johnson/R9/USEPA/US@EPA,  
 Date: 02/24/2012 12:07 PM  
 Subject: Comstock Mining

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There are actually only four e-mails. So this is 3 of 4.

Cindi Byrns  
 Director of Environmental and Regulatory Management

702-927-3795(See attached file: 9. 2011 Jun 25 Release from Cease & Desist.pdf)(See attached file: 10.Receipts 2.pdf)(See attached file: 11. Receipts June 9, 2011.pdf)(See attached file: 12. 2008 AOC for drilling fluids and muds.pdf)



Frank's 1000 1000 1000  
 1000 1000 1000  
 1000 1000 1000

CUSTOMER'S ORDER NO.		DEPARTMENT		DATE	
NAME					
ADDRESS					
CITY, STATE, ZIP					
SOLD BY	CASH	C.O.D.	CHARGE	ON. ACCT.	MDSE. RETD. PAID OUT
QUANTITY	DESCRIPTION			PRICE	AMOUNT
1	4 1/2	06-13-2011 6:30-7:00 PM 1000.00			450.00
2	7 1/2	Excavator - truck & pump trailer 150.00			1125.00
3	↓	1000 7:00-7:30 PM 1000.00			↓ ↓ ↓
4	3	06-14-2011 7:00-7:30 PM 1000.00			300.00
5	7 1/2	Excavator - truck & pump trailer 150.00			1125.00
6	↓	1000 7:30-8:00 PM 1000.00			↓ ↓ ↓
7		06-14-2011 7:00-7:30 PM			
8	1 1/2	1000 7:30-8:00 PM 1000.00			150.00
9	1	Excavator - truck & pump trailer 150.00			150.00
10	2	1000 8:00-8:30 PM 1000.00			300.00
11	↓	1000 8:30-9:00 PM 1000.00			↓ ↓ ↓
12	1 1/2	06-14-2011 7:00-7:30 PM 1000.00			150.00
13					
14					
15	1 1/2	1000 9:00-9:30 PM 1000.00			150.00
16					
17					

06-19-2011  
 FRANK - WATER READING  
 76557  
 572646 GALS  
 1.757 AC FT  
 HAVE 3.63 AC FT

KEEP THIS SLIP FOR REFERENCE

37771	11.94 tons	\$ 153.45
37772	12.37 tons	\$ 158.98
37789	12.12 tons	\$ 155.77
37798	12.36 tons	\$ 158.85
37799	12.08 tons	\$ 155.25
37808	12.61 tons	\$ 162.06
37811	12.78 tons	\$ 164.25
37813	11.99 tons	\$ 154.10
37791	12.24 tons	\$ 157.31

11049  
12

\$ 1,420.02

1,325.88

7.1% tax

94.14

~~1420.02~~

R.P. RAP Ditch \$ 5441.99

R.P. RAP Bank by TUES \$ 3945.02

Total \$ 9446.01

Summed  
OK J

**CANYON CREEK CONSTRUCTION**

P.O. Box 21270  
Carson City, NV 89721-1270  
(775) 882-6622

37771

P.O./Job # \_\_\_\_\_

Gross

Tare

Net

Tons

Other: \_\_\_\_\_

**COMMODITY:**

- ☐ 3/4" Type II Base  
☐ 3/4" Drain Rock  
☐ 1 1/2" Drain Rock  
☐ 1" x 4" Drain Rock  
☒ 4" x 8" Rip Rap  
☐ 12" x 24" Rip Rap

Driver \_\_\_\_\_ Truck# \_\_\_\_\_

Sold To \_\_\_\_\_

Address \_\_\_\_\_

Truck Company \_\_\_\_\_

Date \_\_\_\_\_

21.94  
12  
14 3.28  
10.17  
153.45

**CANYON CREEK CONSTRUCTION**

P.O. Box 21270  
Carson City, NV 89721-1270  
(775) 882-6622

37789

P.O./Job # \_\_\_\_\_

Gross

Tare

Net

Tons

Other: \_\_\_\_\_

**COMMODITY:**

- ☐ 3/4" Type II Base  
☐ 3/4" Drain Rock  
☐ 1 1/2" Drain Rock  
☐ 1" x 4" Drain Rock  
☒ 4" x 8" Rip Rap  
☐ 12" x 24" Rip Rap

Driver \_\_\_\_\_ Truck# \_\_\_\_\_

Sold To \_\_\_\_\_

Address \_\_\_\_\_

Truck Company \_\_\_\_\_

Date \_\_\_\_\_

12.12  
12  
145.44  
10.33  
155.77

847-0300

## CANYON CREEK CONSTRUCTION

P.O. Box 21270  
 Carson City, NV 89721-1270  
 (775) 882-6622

No 37772

P.O./Job # Constack HW 116

12.31  
 12  
 148740  
 10.54  
 158.98

Date 6-15-11Gross 48740Tare 24000Net 24740

Tons

12.32

Other:

Driver MarkTruck# 4Sold To FRANK'S TRACTOR

Address \_\_\_\_\_

Truck Company \_\_\_\_\_

## COMMODITY:

- ☐ 3/4" Type II Base  
☐ 3/4" Drain Rock  
☐ 1 1/2" Drain Rock  
☐ 1" x 4" Drain Rock  
☒ 4" x 8" Rip Rap  
☐ 12" x 24" Rip Rap

## CANYON CREEK CONSTRUCTION

P.O. Box 21270  
 Carson City, NV 89721-1270  
 (775) 882-6622

No 37771

P.O./Job # Constack HW 116Gross 47880Tare 24000Net 23880

Tons

11.94

Other:

Driver MarkTruck# 4Sold To FRANK'S TRACTOR

Address \_\_\_\_\_

Truck Company \_\_\_\_\_

Date 6-15-11

## COMMODITY:

- ☐ 3/4" Type II Base  
☐ 3/4" Drain Rock  
☐ 1 1/2" Drain Rock  
☐ 1" x 4" Drain Rock  
☒ 4" x 8" Rip Rap  
☐ 12" x 24" Rip Rap

OK J

P.O./Job # \_\_\_\_\_

12.36  
12  
148.32  
10.53  
158.85

Date \_\_\_\_\_

### CANYON CREEK CONSTRUCTION

P.O. Box 21270  
Carson City, NV 89721-1270  
(775) 882-6622

N 37798

Gross

Tare

Net

#### COMMODITY:

- ☐ 3/4" Type II Base
- ☐ 3/4" Drain Rock
- ☐ 1 1/2" Drain Rock
- ☐ 1" x 4" Drain Rock
- ☐ 4" x 8" Rip Rap
- ☐ 12" x 24" Rip Rap

Tons

Other: \_\_\_\_\_

Driver \_\_\_\_\_ Truck# \_\_\_\_\_

Sold To \_\_\_\_\_

Address \_\_\_\_\_

Truck Company \_\_\_\_\_

P.O./Job # \_\_\_\_\_

12.08  
12  
144.96  
10.29  
155.25

Date \_\_\_\_\_

### CANYON CREEK CONSTRUCTION

P.O. Box 21270  
Carson City, NV 89721-1270  
(775) 882-6622

37799

Gross

Tare

Net

#### COMMODITY:

- ☐ 3/4" Type II Base
- ☐ 3/4" Drain Rock
- ☐ 1 1/2" Drain Rock
- ☐ 1" x 4" Drain Rock
- ☒ 4" x 8" Rip Rap
- ☐ 12" x 24" Rip Rap

Tons

Other: \_\_\_\_\_

Driver \_\_\_\_\_ Truck# \_\_\_\_\_

Sold To \_\_\_\_\_

Address \_\_\_\_\_

Truck Company \_\_\_\_\_

OK 7

**CANYON CREEK CONSTRUCTION**

P.O. Box 21270  
Carson City, NV 89721-1270  
(775) 882-6622

37808

P.O./Job # \_\_\_\_\_

2261  
12  
157.32  
10.74  
162.06

Date \_\_\_\_\_

Gross

Tare

Net

## COMMODITY:

- ☐ 3/4" Type II Base  
☐ 3/4" Drain Rock  
☐ 1 1/2" Drain Rock  
☐ 1" x 4" Drain Rock  
☒ 4" x 8" Rip Rap  
☐ 12" x 24" Rip Rap

Tons

Other: \_\_\_\_\_

Driver \_\_\_\_\_

Truck# \_\_\_\_\_

Sold To \_\_\_\_\_

Address \_\_\_\_\_

Truck Company \_\_\_\_\_

**CANYON CREEK CONSTRUCTION**

P.O. Box 21270  
Carson City, NV 89721-1270  
(775) 882-6622

37811

P.O./Job # \_\_\_\_\_

12.78  
12  
153.36  
10.09  
164.25

Date \_\_\_\_\_

Gross

Tare

Net

## COMMODITY:

- ☐ 3/4" Type II Base  
☐ 3/4" Drain Rock  
☐ 1 1/2" Drain Rock  
☐ 1" x 4" Drain Rock  
☒ 4" x 8" Rip Rap  
☐ 12" x 24" Rip Rap

Tons

Other: \_\_\_\_\_

Driver \_\_\_\_\_

Truck# \_\_\_\_\_

Sold To \_\_\_\_\_

Address \_\_\_\_\_

Truck Company \_\_\_\_\_

OK J



P.O./Job # \_\_\_\_\_

11.99  
12  
143.88  
10.22  
154.10

Date \_\_\_\_\_

### CANYON CREEK CONSTRUCTION

P.O. Box 21270  
Carson City, NV 89721-1270  
(775) 882-6622

N 37813

Gross

Tare

Net

#### COMMODITY:

- ☐ 3/4" Type II Base
- ☐ 3/4" Drain Rock
- ☐ 1 1/2" Drain Rock
- ☐ 1" x 4" Drain Rock
- ☐ 4" x 8" Rip Rap
- ☐ 12" x 24" Rip Rap

Tons

Other: \_\_\_\_\_

Driver \_\_\_\_\_ Truck# \_\_\_\_\_

Sold To \_\_\_\_\_

Address \_\_\_\_\_

Truck Company \_\_\_\_\_

P.O./Job # \_\_\_\_\_

12.24  
12  
146.88  
10.47  
157.35

Date \_\_\_\_\_

### CANYON CREEK CONSTRUCTION

P.O. Box 21270  
Carson City, NV 89721-1270  
(775) 882-6622

N 37731

Gross

Tare

Net

#### COMMODITY:

- ☐ 3/4" Type II Base
- ☐ 3/4" Drain Rock
- ☐ 1 1/2" Drain Rock
- ☐ 1" x 4" Drain Rock
- ☒ 4" x 8" Rip Rap
- ☐ 12" x 24" Rip Rap

Tons

Other: \_\_\_\_\_

Driver \_\_\_\_\_ Truck# \_\_\_\_\_

Sold To \_\_\_\_\_

Address \_\_\_\_\_

Truck Company \_\_\_\_\_

25 L

Frank's Trucking

1000 11th

St. Louis, MO 63101

7.055

CUSTOMER'S ORDER NO.		DEPARTMENT		DATE	
				7-5-2011	
NAME					
L. M. T. & S. Co.					
ADDRESS					
P.O. Box 100					
CITY, STATE, ZIP					
St. Louis, MO 63101					
SOLD BY	CASH	C.O.D.	CHARGE	ON ACCT.	MOSE. RETD.
QUANTITY	DESCRIPTION			PRICE	AMOUNT
1	25-7-21-1				
2	1-1-1-1			100.00	20.00
3	5-1/2 1-1-1-1			100.00	12.50
4	1-1-1-1			100.00	1.00
5	1-1-1-1			100.00	1.00
6	5-1/2 1-1-1-1			100.00	12.50
7	1-1-1-1			100.00	50.00
8	1-1-1-1			100.00	1.00
9	10-1/2 1-1-1-1			100.00	12.50
10	1-1-1-1			100.00	1.00
11	1-1-1-1			100.00	1.00
12	2-1/2 1-1-1-1			100.00	12.50
13	1-1-1-1			100.00	13.00
14	1-1-1-1			100.00	1.00
15	1-1-1-1			100.00	24.00
16	1-1-1-1			100.00	1.00
17	1-1-1-1			100.00	11.00
18	1-1-1-1			100.00	74.40
RECEIVED BY					

A-5805  
T-4632948059

FRANK 05-26-2011  
WATER METER READING

173294 CU. FT

548239 GALLONS

1.66 AC. FT

3.63 AC. FT HALL

OK TO  
PAY

Jay

FRANK'S 710.555  
TAXIATOR

Hartford 300.00

Dayton 2100.00

Eastside 1450.00

Eastside  
Supplies 2,324.99

HAULAGE  
EASTSIDE 1250.00

---

7424.99

TOTAL \$7,424.99

180.15

P.O./Job # \_\_\_\_\_

12.10  
7  
84.70  
61.01  
90 71

Date 05/1/11

**CANYON CREEK CONSTRUCTION**

P.O. Box 21270  
Carson City, NV 89721-1270  
(775) 882-6622

NO 37658

Gross 1

Tare 4.00

Net 24.10

**COMMODITY:**

- ☐ 3/4" Type II Base
- ☐ 3/4" Drain Rock
- ☐ 1 1/2" Drain Rock
- ☒ 1" x 4" Drain Rock
- ☐ 4" x 8" Rip Rap
- ☐ 12" x 24" Rip Rap

Tons 12.10

Other: \_\_\_\_\_

Driver Bob

Truck# 4

Sold To For P. Perito

Address \_\_\_\_\_

Truck Company \_\_\_\_\_

P.O./Job # \_\_\_\_\_  
 24.03 Runners total \$180.15  
 11.93  
 7.00  
 83.51  
 5.93  
 89.44  
 Date 4-1-11

# CANYON CREEK CONSTRUCTION

P.O. Box 21270  
 Carson City, NV 89721-1270  
 (775) 882-6622

NE 37657

Gross 47

Tare

Net 23

Tons 11.75

## COMMODITY:

- ☐ 3/4" Type II Base
- ☐ 3/4" Drain Rock
- ☐ 1 1/2" Drain Rock
- ☒ 1" x 4" Drain Rock
- ☐ 4" x 8" Rip Rap
- ☐ 12" x 24" Rip Rap

Other:

Driver \_\_\_\_\_

Truck# 7

Sold To \_\_\_\_\_

Address \_\_\_\_\_

Truck Company \_\_\_\_\_

P.O./Job # \_\_\_\_\_

11.89  
 12  
 142.00  
 10.13  
 152.81  
 Date

# CANYON CREEK CONSTRUCTION

P.O. Box 21270  
 Carson City, NV 89721-1270  
 (775) 882-6622

NE 37658

Gross 47

Tare

Net 23

Tons 11.75

## COMMODITY:

- ☐ 3/4" Type II Base
- ☐ 3/4" Drain Rock
- ☐ 1 1/2" Drain Rock
- ☐ 1" x 4" Drain Rock
- ☒ 4" x 8" Rip Rap
- ☐ 12" x 24" Rip Rap

Other:

Driver \_\_\_\_\_

Truck# 7

Sold To \_\_\_\_\_

Address \_\_\_\_\_

Truck Company \_\_\_\_\_

P.O./Job # \_\_\_\_\_

36.45  
RUNNING  
12.77  
12.00  
153.24  
10.00  
164.2

Date \_\_\_\_\_

### CANYON CREEK CONSTRUCTION

P.O. Box 21270  
Carson City, NV 89721-1270  
(775) 882-6622

37663

Gross

Tare

Net

Tons

#### COMMODITY:

- ☐ 3/4" Type II Base
- ☐ 3/4" Drain Rock
- ☐ 1 1/2" Drain Rock
- ☐ 1" x 4" Drain Rock
- ☒ 4" x 8" Rip Rap
- ☐ 12" x 24" Rip Rap

Other: \_\_\_\_\_

Driver \_\_\_\_\_

Truck# \_\_\_\_\_

Sold To \_\_\_\_\_

Address \_\_\_\_\_

Truck Company \_\_\_\_\_

P.O./Job # \_\_\_\_\_

Running total 23.68

11.74  
12  
141.48  
10.05  
151.53

Date \_\_\_\_\_

### CANYON CREEK CONSTRUCTION

P.O. Box 21270  
Carson City, NV 89721-1270  
(775) 882-6622

37662

Gross

Tare

Net

Tons

#### COMMODITY:

- ☐ 3/4" Type II Base
- ☐ 3/4" Drain Rock
- ☐ 1 1/2" Drain Rock
- ☐ 1" x 4" Drain Rock
- ☒ 4" x 8" Rip Rap
- ☐ 12" x 24" Rip Rap

Other: \_\_\_\_\_

Driver \_\_\_\_\_

Truck# \_\_\_\_\_

Sold To \_\_\_\_\_

Address \_\_\_\_\_

Truck Company \_\_\_\_\_

P.O./Job #

48.36 RUNNING totals

11.91  
12.00  
142.92  
10.15  
153.07

Date

### CANYON CREEK CONSTRUCTION

P.O. Box 21270  
Carson City, NV 89721-1270  
(775) 882-6622

37564

Gross

Tare

Net

Tons

#### COMMODITY:

- ☐ 3/4" Type II Base  
☐ 3/4" Drain Rock  
☐ 1 1/2" Drain Rock  
☐ 1" x 4" Drain Rock  
☒ 4" x 8" Rip Rap  
☐ 12" x 24" Rip Rap

Other:

Driver

Truck#

Sold To

Address

Truck Company

### CANYON CREEK CONSTRUCTION

P.O. Box 21270  
Carson City, NV 89721-1270  
(775) 882-6622

37566

P.O./Job #

60.86 RUNNING total

12.50  
12  
156.00  
10.65  
160.65

Date

Gross

Tare

Net

Tons

#### COMMODITY:

- ☐ 3/4" Type II Base  
☐ 3/4" Drain Rock  
☐ 1 1/2" Drain Rock  
☐ 1" x 4" Drain Rock  
☒ 4" x 8" Rip Rap  
☐ 12" x 24" Rip Rap

Other:

Driver

Truck#

Sold To

Address

Truck Company

P.O./Job # \_\_\_\_\_

101.32  
Running total  
\$1302.16

8.48

12  
101.76  
7.22  
108.98

Date \_\_\_\_\_

### CANYON CREEK CONSTRUCTION

P.O. Box 21270  
Carson City, NV 89721-1270  
(775) 882-6622

NE 37675

Gross 4.2

Tare

Net

#### COMMODITY:

- ☐ 3/4" Type II Base
- ☐ 3/4" Drain Rock
- ☐ 1 1/2" Drain Rock
- ☐ 1" x 4" Drain Rock
- ☒ 4" x 8" Rip Rap
- ☐ 12" x 24" Rip Rap

Tons

Other: \_\_\_\_\_

Driver \_\_\_\_\_ Truck# 4

Sold To \_\_\_\_\_

Address \_\_\_\_\_

Truck Company \_\_\_\_\_

P.O./Job # \_\_\_\_\_

72.89  
Running total

7.81

12  
93.72  
6.65  
100.37

Date \_\_\_\_\_

### CANYON CREEK CONSTRUCTION

P.O. Box 21270  
Carson City, NV 89721-1270  
(775) 882-6622

NE 37672

Gross

Tare

Net

#### COMMODITY:

- ☐ 3/4" Type II Base
- ☐ 3/4" Drain Rock
- ☐ 1 1/2" Drain Rock
- ☐ 1" x 4" Drain Rock
- ☒ 4" x 8" Rip Rap
- ☐ 12" x 24" Rip Rap

Tons

Other: \_\_\_\_\_

Driver \_\_\_\_\_ Truck# \_\_\_\_\_

Sold To \_\_\_\_\_

Address \_\_\_\_\_

Truck Company \_\_\_\_\_



P.O./Job #

85.03 Running totals

11.84

12

142.08

10.09

152.17

Date

### CANYON CREEK CONSTRUCTION

P.O. Box 21270  
Carson City, NV 89721-1270  
(775) 882-6622

N2 37671

Gross

Tare

Net

Tons

Other:

#### COMMODITY:

- ☐ 3/4" Type II Base
- ☐ 3/4" Drain Rock
- ☐ 1 1/2" Drain Rock
- ☐ 1" x 4" Drain Rock
- ☐ 4" x 8" Rip Rap
- ☐ 12" x 24" Rip Rap

Driver \_\_\_\_\_ Truck# \_\_\_\_\_

Sold To \_\_\_\_\_

Address \_\_\_\_\_

Truck Company \_\_\_\_\_

P.O./Job #

73.19 Running total

12.37

12

147.96

10.51

158.47

Date

### CANYON CREEK CONSTRUCTION

P.O. Box 21270  
Carson City, NV 89721-1270  
(775) 882-6622

N2 37670

Gross

Tare

Net

Tons

Other:

#### COMMODITY:

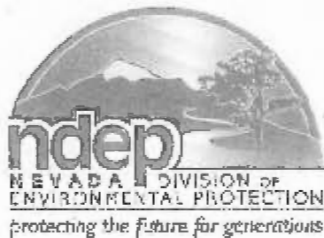
- ☐ 3/4" Type II Base
- ☐ 3/4" Drain Rock
- ☐ 1 1/2" Drain Rock
- ☐ 1" x 4" Drain Rock
- ☒ 4" x 8" Rip Rap
- ☐ 12" x 24" Rip Rap

Driver \_\_\_\_\_ Truck# \_\_\_\_\_

Sold To \_\_\_\_\_

Address \_\_\_\_\_

Truck Company \_\_\_\_\_



**STATE OF NEVADA**  
Department of Conservation & Natural Resources  
**DIVISION OF ENVIRONMENTAL PROTECTION**

Brian Sandoval, Governor  
Leo M. Drozdoff, P.E., Director  
Colleen Cripps, Ph.D., Administrator

June 25, 2011

Dennis Anderson  
Comstock Mining  
P.O. Box 1118  
Virginia City, NV 89440

REC'D JUN 29 2011

Re: Release from Cease and Desist Order for Comstock Mining activity along Hwy 342 in Silver City, NV.

Dear Mr. Anderson,

Comstock Mining is hereby released from the Cease and Desist Order, given on May 11, 2011 in response to mining/construction activities conducted along Highway 342, north of Silver City, Nevada.

A Nevada Division of Environmental Protection (NDEP) inspection conducted at 9:00 am on June 17, 2011 concluded that all documented violations have been appropriately addressed. A Working in Waterways permit was obtained and the work completed on June 16, 2011. The required work narrative with photos and updated SWPPP plan were presented to NDEP on June 21, 2011.

If you have any questions or need additional assistance regarding these matters you may contact me at (775) 687-9434

Sincerely,

Michele "Mickie" Reid  
Technical Services Branch  
Bureau of Water Pollution Control

Cc: Al Tinney, P.E., Chief  
Cliff Lawson, P.E., Supervisor  
File



STATE OF NEVADA

DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES  
DIVISION OF ENVIRONMENTAL PROTECTION

IN THE MATTER OF:

James Golden  
The Plum Mining Co LLC  
Billie The Kid Mine  
Storey County, Nevada

---

ADMINISTRATIVE ORDER ON CONSENT

This Administrative Order on Consent ("AOC") is executed and entered into this 24<sup>th</sup> day of July, 2008 by and between the State of Nevada acting by and through its Department of Conservation and Natural Resources, Division of Environmental Protection ("NDEP"), and James Golden, The Plum Mining Company LLC, ("Plum") and its successors and assignees. By execution of this AOC, NDEP and Plum agree to be bound by all of the recitals, terms and conditions herein.

I. DEFINITIONS

1. The terms used in this AOC shall have the following meanings:
  - 1.1 "AOC" means this document.
  - 1.2 "Plum" refers to James Golden, Chief Operating Officer of GoldSpring Inc., which is the Managing Company of The Plum Mining Co LLC.
  - 1.3 "Facility" refers to the Billie The Kid Mine Project located in Storey County, Nevada, 1 mile NE of Silver City, in Township 16 N, Range 21 E, NE ¼ of Section 06.
  - 1.4 "Suspension Order" refers to the Suspension of Unauthorized Drilling Activities letter issued by NDEP to Plum on June 27, 2008.
  - 1.5 "NDEP" refers to the Nevada Department of Conservation and Natural Resources, Division of Environmental Protection and those authorized persons or representatives acting on its behalf.

## II. STATEMENT OF OBJECTIVES

It is the objective of the NDEP and Plum in entering into this AOC to bring the facility into compliance with State Reclamation Permit 0196, the NRS and NAC chapter 519A regulations and statutes by: (a) Providing a means for Plum to provide NDEP additional required reclamation bond; (b) Providing a means for Plum to obtain approval for existing and proposed drilling activities; (c) establishing that NDEP Bureau of Regulation and Reclamation will provide oversight of clean up activities for the drilling fluids and muds that were allowed to escape into the Gold Canyon drainage.

## III. AUTHORITY

NDEP issues this AOC as a discretionary agency action pursuant to, but not limited to, Chapter 519A .150 (10), of the Nevada Revised Statutes.

## IV. ACCESS TO PROPERTY AND RECORDS

This AOC provides NDEP with the right to enter and inspect the facility, and to take photographs and samples as warranted, pursuant to statutory or regulatory authority. Plum grants permission, upon presentation of proper identification, to the NDEP and its authorized employees, agents, representatives, contractors and consultants, to access the facility for the purpose of conducting any activity authorized by this AOC or otherwise fulfilling any responsibility under State law with respect to environmental conditions at the facility.

## V. COVENANT NOT TO SUE

5.1 The NDEP hereby covenants not to sue or take any judicial or administrative action against Plum (including its officers, directors, employees, partners and attorneys) related to the Suspension Order.

5.2 However, if Plum defaults in any obligation delineated in this section, NDEP reserves the right to sue in District Court and Plum agrees the case to be filed and tried in the First Judicial District in Carson City.

5.3 Additionally, Plum agrees to cease drilling and exploration activities until such time that Plum:

- provides NDEP with an acceptable reclamation bond in the amount of \$1,106,882.00 as determined in the April 14, 2008 letter from NDEP to Plum;
- provides NDEP with an acceptable application for a permit modification and fee to include existing and proposed exploration;

- receives an amended permit to authorize existing and proposed exploration activities;
- provides NDEP additional reclamation bond (if required) for the exploration and drilling activities;
- provides NDEP a written summary of clean up activities, to include photo documentation of completed work; and
- receives NDEP approval of the cleanup work.

## VI. RESERVATION OF RIGHTS

6.1 Nothing in this AOC shall in any way limit the power and authority of the NDEP to take appropriate action to: (a) protect public health, safety or welfare or the environment; (b) prevent, abate or minimize a release or threatened release of a contaminant or pollutant; or (c) to otherwise enforce applicable state law.

6.2 Subject to the covenant not to sue contained in Part V, nothing in this AOC shall in any way limit or affect the NDEP's right to take judicial or administrative action against any person including Plum who may be liable under any applicable law. This AOC shall not be construed as discharging the liability or future liability of any person or entity.

6.3 Nothing in this AOC shall affect the duties and obligations that Plum may have with respect to permits or other governmental approval or obligations under applicable federal or state law.

6.4 Nothing in this AOC shall be construed as a waiver or release of any claim, defense, right or authority of NDEP except as explicitly stated herein.

## VII. INDEMNIFICATIONS

7.1 Plum shall indemnify and save and hold harmless the State of Nevada and its departments, agencies, officials, agents, employees, contractors and representatives for and against any and all claims or causes of action arising from or on account of acts or omissions of Plum, its employees, agents, representatives or contractors in connection with the facility.

7.2 This AOC shall not be construed as an indemnity by the State of Nevada for the benefit of Plum or any other party.

## VIII. MODIFICATIONS

This AOC shall not be modified unless such modification is in writing and signed by Plum and NDEP.

#### IX. APPLICABLE LAW

This AOC shall be construed in accordance with and governed by the laws of the State of Nevada.

#### X. APPLICATION

10.1 This AOC shall apply to and be binding on the parties to this AOC and their respective successors and assigns.

10.2 This AOC is only for the benefit of the parties hereto and their respective successors and assigns. This AOC shall not be enforceable by, or interpreted to be for the benefit of, any third party.

#### XI. SEVERABILITY

The provisions of this AOC shall be severable, and if any provision is declared by a court of competent jurisdiction to be inconsistent with federal or state law, and therefore unenforceable, the remaining provisions of this AOC shall remain in full force and effect.

#### XII. EFFECTIVE DATE

This AOC shall become effective when it is fully executed by the parties. The effective date will be the latest date of the completion of the execution.

#### XIII. SIGNATORIES

Each undersigned individual represents and warrants that he or she is fully authorized by the party he or she represents to enter into this AOC and to legally bind such party to the terms and conditions of this AOC.

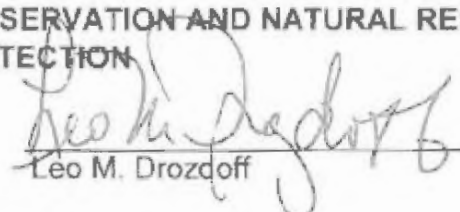
#### XIV. MERGER

This AOC constitutes the final and complete AOC between the parties. NDEP and Plum agree to all recitals, terms and conditions heretofore set forth.

IT IS SO STIPULATED AND AGREED:

THE STATE OF NEVADA ACTING BY AND THROUGH ITS DEPARTMENT OF  
CONSERVATION AND NATURAL RESOURCES, DIVISION OF ENVIRONMENTAL  
PROTECTION

By:

  
Leo M. Drozdoff


Title: Administrator, NDEP

Dated:

7/21/08

APPROVED AS TO FORM:

By:

  
Bill Frey, Senior Deputy Attorney General

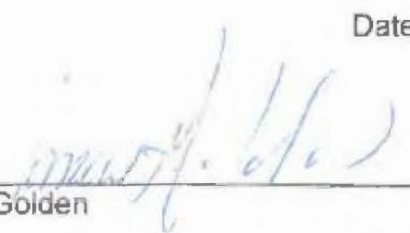
Title: Counsel for NDEP

Dated:

7.23.08

Plum

By:

  
James Golden

Title: Chief Operating Officer of GoldSpring Inc

Dated:

7-22-08